

House File 621 - Introduced

HOUSE FILE 621

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 222)

A BILL FOR

- 1 An Act relating to the protest and appeal of property
- 2 assessments and including effective date and applicability
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 421.1A, subsection 6, Code 2013, is
2 amended to read as follows:

3 6. The members of the property assessment appeal board
4 shall receive compensation from the state commensurate with
5 the salary of a district judge ~~through December 31, 2013~~. The
6 members of the board shall be considered state employees for
7 purposes of salary and benefits. The members of the board and
8 any employees of the board, when required to travel in the
9 discharge of official duties, shall be paid their actual and
10 necessary expenses incurred in the performance of duties.

11 Sec. 2. Section 421.1A, subsection 7, Code 2013, is amended
12 by striking the subsection.

13 Sec. 3. Section 441.21, subsection 3, Code 2013, is amended
14 to read as follows:

15 3. a. "*Actual value*", "*taxable value*", or "*assessed*
16 *value*" as used in other sections of the Code in relation to
17 assessment of property for taxation shall mean the valuations
18 as determined by this section; however, other provisions of
19 the Code providing special methods or formulas for assessing
20 or valuing specified property shall remain in effect, but this
21 section shall be applicable to the extent consistent with such
22 provisions. The assessor and department of revenue shall
23 disclose at the written request of the taxpayer all information
24 in any formula or method used to determine the actual value of
25 the taxpayer's property.

26 b. The burden of proof shall be upon any complainant
27 attacking such valuation as excessive, inadequate, inequitable,
28 or capricious; however, in protest or appeal proceedings when
29 the complainant offers competent evidence by at least two
30 disinterested witnesses that the market value of the property
31 is less than the market value determined by the assessor, the
32 burden of proof thereafter shall be upon the officials or
33 persons seeking to uphold such valuation to be assessed.

34 Sec. 4. Section 441.35, subsection 2, Code 2013, is amended
35 to read as follows:

1 2. In any year after the year in which an assessment has
2 been made of all of the real estate in any taxing district, the
3 board of review shall meet as provided in section 441.33, and
4 where the board finds the same has changed in value, the board
5 shall revalue and reassess any part or all of the real estate
6 contained in such taxing district, and in such case, the board
7 shall determine the actual value as of January 1 of the year of
8 the revaluation and reassessment and compute the taxable value
9 thereof. ~~Any aggrieved taxpayer may petition for a revaluation~~
10 ~~of the taxpayer's property, but no reduction or increase~~
11 ~~shall be made for prior years.~~ If the assessment of any such
12 property is raised, or any property is added to the tax list by
13 the board, the clerk shall give notice in the manner provided
14 in section 441.36. However, if the assessment of all property
15 in any taxing district is raised, the board may instruct the
16 clerk to give immediate notice by one publication in one of
17 the official newspapers located in the taxing district, and
18 such published notice shall take the place of the mailed notice
19 provided for in section 441.36, but all other provisions of
20 that section shall apply. The decision of the board as to the
21 foregoing matters shall be subject to appeal to the property
22 assessment appeal board within the same time and in the same
23 manner as provided in section 441.37A and to the district court
24 within the same time and in the same manner as provided in
25 section 441.38.

26 Sec. 5. Section 441.37, subsection 1, paragraphs a and b,
27 Code 2013, are amended to read as follows:

28 a. Any property owner or aggrieved taxpayer who is
29 dissatisfied with the owner's or taxpayer's assessment may file
30 a protest against such assessment with the board of review on
31 or after April 16, to and including May 5, of the year of the
32 assessment. In any county which has been declared to be a
33 disaster area by proper federal authorities after March 1 and
34 prior to May 20 of said year of assessment, the board of review
35 shall be authorized to remain in session until June 15 and the

1 time for filing a protest shall be extended to and include the
 2 period from May 25 to June 5 of such year. ~~Said~~ The protest
 3 shall be in writing and signed by the one protesting or by the
 4 protester's duly authorized agent. The taxpayer may have an
 5 oral hearing ~~thereon~~ on the protest if request ~~therefor~~ for the
 6 oral hearing is made in writing ~~is made~~ at the time of filing
 7 the protest. ~~Said~~ The protest must be confined to one or more
 8 of the following grounds:

9 (1) For odd-numbered assessment years and for even-numbered
 10 assessment years for property that was reassessed in such
 11 even-numbered assessment year:

12 (a) That said assessment is not equitable as compared with
 13 assessments of other like property in the ~~taxing district~~
 14 assessing jurisdiction. When this ground is relied upon ~~as the~~
 15 ~~basis of a protest the legal description and assessments of a~~
 16 ~~representative number of comparable properties, as described~~
 17 ~~by the aggrieved taxpayer shall be listed on the protest,~~
 18 ~~otherwise said protest shall not be considered on this ground~~
 19 consideration shall be given to whether the other like property
 20 in the assessing jurisdiction was appraised using a different
 21 appraisal methodology than the methodology used to appraise the
 22 property that is the subject of the protest.

23 ~~{2}~~ (b) That the property is assessed for more than the
 24 value authorized by law, ~~stating~~. When this ground is relied
 25 upon, the specific amount which the protesting party believes
 26 the property to be overassessed, and the amount which the party
 27 considers to be its actual value and ~~the amount the party~~
 28 ~~considers a fair assessment~~ shall be stated.

29 ~~{3}~~ (c) That the property is not assessable, is exempt
 30 from taxes, or is misclassified and ~~stating the reasons for the~~
 31 protest.

32 ~~{4}~~ (d) That there is an error in the assessment and state
 33 the specific alleged error. When this ground is relied upon,
 34 it may include but is not limited to listing errors, clerical
 35 or mathematical errors, or other errors that result in an error

1 in the assessment.

2 ~~(5)~~ (e) That there is fraud in the assessment which shall
3 be specifically stated.

4 (2) For even-numbered assessment years, when the property
5 has not been reassessed in such even-numbered assessment year,
6 that there has been a decrease in the value of the property
7 from the previous reassessment year. When this ground is
8 relied upon, the decrease in value shall be shown by comparing
9 the market value of the property as of January 1 of the current
10 assessment year and the actual value of the property for the
11 previous reassessment year. Such protest shall be in the same
12 manner as described in this section and shall be reviewed
13 by the local board of review pursuant to section 441.35,
14 subsection 2, but no reduction or increase shall be made for
15 prior years.

16 ~~b. In addition to the above, the property owner may protest~~
17 ~~annually to the board of review under the provisions of section~~
18 ~~441.35, but such protest shall be in the same manner and upon~~
19 ~~the same terms as heretofore prescribed in this section. The~~
20 burden of proof for all protests filed under this section shall
21 be as stated in section 441.21, subsection 3, paragraph "b".

22 Sec. 6. Section 441.37A, subsection 1, paragraph b, Code
23 2013, is amended to read as follows:

24 ~~b. For an appeal to the property assessment appeal board to~~
25 ~~be valid, written notice must be filed by the party appealing~~
26 ~~the decision with the secretary of the property assessment~~
27 ~~appeal board within twenty days after the date the board of~~
28 ~~review's letter of disposition of the appeal is postmarked to~~
29 ~~the party making the protest adjournment of the local board~~
30 of review or May 31, whichever is later. The written notice
31 of appeal shall include a petition setting forth the basis of
32 the appeal and the relief sought. No new grounds in addition
33 to those set out in the protest to the local board of review
34 as provided in section 441.37 can be pleaded, but additional
35 evidence to sustain those grounds may be introduced. The

1 assessor shall have the same right to appeal to the assessment
2 appeal board as an individual taxpayer, public body, or other
3 public officer as provided in section 441.42. An appeal to the
4 board is a contested case under chapter 17A.

5 Sec. 7. Section 441.37A, subsection 2, paragraph a, Code
6 2013, is amended to read as follows:

7 a. A party to the appeal may request a hearing or the appeal
8 may proceed without a hearing. If a hearing is requested,
9 the appellant and the local board of review from which the
10 appeal is taken shall be given at least thirty days' written
11 notice by the property assessment appeal board of the date
12 the appeal shall be heard and the local board of review may
13 be present and participate at such hearing. Notice to all
14 affected taxing districts shall be deemed to have been given
15 when written notice is provided to the local board of review.
16 The requirement of thirty days' written notice may be waived
17 by mutual agreement of all parties to the appeal. Failure by
18 the appellant to appear at the property assessment appeal board
19 hearing shall ~~be grounds for~~ result in dismissal of the appeal
20 unless a continuance is granted to the appellant by the board
21 following a showing of good cause for the appellant's failure
22 to appear. If an appeal is dismissed for failure to appear,
23 the property assessment appeal board shall have no jurisdiction
24 to consider any subsequent appeal on the appellant's protest.

25 Sec. 8. Section 441.37A, subsection 3, paragraph a, Code
26 2013, is amended to read as follows:

27 a. The board member considering the appeal shall determine
28 anew all questions arising before the local board of review
29 which relate to the liability of the property to assessment or
30 the amount thereof. All of the evidence shall be considered
31 and there shall be no presumption as to the correctness of the
32 valuation of assessment appealed from. The burden of proof
33 for all appeals before the board shall be as stated in section
34 441.21, subsection 3, paragraph "b". The property assessment
35 appeal board shall make a decision in each appeal filed with

1 the board. If the appeal is considered by less than a majority
2 of the board, the determination made by that member shall
3 be forwarded to the full board for approval, rejection, or
4 modification. If the initial determination is rejected by the
5 board, it shall be returned for reconsideration to the board
6 member making the initial determination. Any deliberation
7 of the board regarding an initial determination shall be
8 confidential.

9 Sec. 9. REPEAL. 2005 Iowa Acts, chapter 150, section 134,
10 is repealed.

11 Sec. 10. EFFECTIVE UPON ENACTMENT. This Act, being deemed
12 of immediate importance, takes effect upon enactment.

13 Sec. 11. APPLICABILITY. The following provisions of this
14 Act apply to assessment years beginning on or after January 1,
15 2014:

16 1. The section of this Act amending section 441.37.

17 2. The section of this Act amending section 441.35.

18 EXPLANATION

19 This bill relates to the protest and appeal of property
20 assessments.

21 The bill amends provisions relating to the grounds upon
22 which a property assessment protest may be brought under
23 Code section 441.37. The bill specifies the grounds for
24 protest in an odd-numbered assessment year (reassessment
25 year), the grounds for protest in an even-numbered assessment
26 year for those properties that were reassessed in that
27 even-numbered assessment year, and the grounds for protest in
28 an even-numbered assessment year for those properties that were
29 not reassessed in that even-numbered assessment year.

30 Under current law, for an appeal to the property assessment
31 appeal board to be valid, written notice must be filed by the
32 party appealing the decision with the secretary of the property
33 assessment appeal board within 20 days after the date the
34 local board of review's letter of disposition of the appeal is
35 postmarked to the party making the protest. The bill changes

1 the deadline for filing a valid appeal to within 20 days after
2 the date of adjournment of the local board of review or May 31,
3 whichever is later.

4 Current Code section 441.37A provides that if a hearing is
5 requested in an appeal before the property assessment appeal
6 board, the appellant and the local board of review from which
7 the appeal is taken must be given at least 30 days' written
8 notice by the property assessment appeal board of the date the
9 appeal shall be heard. The bill provides that the requirement
10 of 30 days' written notice may be waived by mutual agreement
11 of all parties to the appeal.

12 Current Code section 441.37A provides that failure to
13 appear at a property assessment appeal board hearing by an
14 appellant shall be grounds for dismissal of the appeal unless a
15 continuance is granted. The bill provides that such a failure
16 to appear by an appellant shall result in dismissal of the
17 appeal unless a continuance is granted by the board for good
18 cause shown by the appellant.

19 The bill specifies that the burden of proof in protests
20 to the local board of review or in appeals to the property
21 assessment appeal board shall be as provided in current Code
22 section 441.21(3). Current Code section 441.21(3) states that
23 the burden of proof shall be upon any complainant attacking the
24 valuation as excessive, inadequate, inequitable, or capricious;
25 however, in protest or appeal proceedings when the complainant
26 offers competent evidence by at least two disinterested
27 witnesses that the market value of the property is less than
28 the market value determined by the assessor, the burden of
29 proof thereafter shall be upon the officials or persons seeking
30 to uphold such valuation to be assessed.

31 The bill repeals 2005 Iowa Acts, chapter 150, section 134,
32 which provided for the repeal of the property assessment appeal
33 board on July 1, 2013, and makes a corresponding change related
34 to the salary to be paid to members of the property assessment
35 appeal board. The bill also strikes provisions relating to

1 the property assessment appeal board review committee that was
2 established on January 1, 2012, and filed its report with the
3 general assembly on January 15, 2013.

4 The bill takes effect upon enactment. The sections of
5 the bill amending Code sections 441.37 and 441.35 apply to
6 assessment years beginning on or after January 1, 2014.